

HOUSE BILL No. 1905

DIGEST OF INTRODUCED BILL

Citations Affected: IC 21-3-1.7-3.1; IC 21-3-12.

Synopsis: School improvement grants. Establishes a school improvement grant program composed of four grant programs: (1) ADM grants to school corporations for school improvement; (2) Baldrige Program pilot project grants to school corporations; (3) professional development match grants to school corporations and accredited colleges and universities in Indiana; and (4) the Indiana best practices research center grant. Establishes procedures for applying for grants and the awarding of grants. Appropriates \$30,000,000 from the state general fund in the 1999-2001 biennium for all of the grant programs.

Effective: July 1, 1999.

Porter

January 26, 1999, read first time and referred to Committee on Education.



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Introduced

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1905

A BILL FOR AN ACT to amend the Indiana Code concerning education finance and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 21-3-1.7-3.1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3.1. (a) As used in this
3 chapter, "previous year revenue" for calculations with respect to a
4 school corporation equals:

5 (1) the school corporation's tuition support for regular programs,
6 including basic tuition support, and excluding:

7 (A) special education grants;

8 (B) vocational education grants;

9 (C) at-risk programs;

10 (D) the enrollment adjustment grant; ~~and~~

11 (E) ~~for 1999 and thereafter~~, the academic honors diploma
12 award; ~~and~~

13 (F) **all grants under the school improvement grant**
14 **program under IC 21-3-12;**

15 for the year that precedes the current year; plus

16 (2) the school corporation's tuition support levy for the year that
17 precedes the current year before the reductions required under

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section 5(1), 5(2), and 5(3) of this chapter; plus
 (3) the school corporation's excise tax revenue for the year that
 precedes the current year by two (2) years; minus
 (4) an amount equal to the reduction in the school corporation's
 tuition support under subsection (b) or IC 20-10.1-2-1, or both.

(b) A school corporation's previous year revenue shall be reduced
 if:

(1) the school corporation's state tuition support for special or
 vocational education was reduced as a result of a complaint being
 filed with the department of education after December 31, 1988,
 because the school program overstated the number of children
 enrolled in special or vocational education programs; and
 (2) the school corporation's previous year revenue has not been
 reduced under this subsection more than one (1) time because of
 a given overstatement.

The amount of the reduction equals the amount the school corporation
 would have received in tuition support for special and vocational
 education because of the overstatement.

SECTION 2. IC 21-3-12 IS ADDED TO THE INDIANA CODE AS
 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 1, 1999]:

Chapter 12. School Improvement Grant Program

Sec. 1. As used in this chapter, "ADM" has the meaning set
 forth in IC 21-3-1.6-1.1(d).

Sec. 2. As used in this chapter, "ADM grant" refers to the ADM
 grant to school corporations for school improvement established
 under section 13 of this chapter.

Sec. 3. As used in this chapter, "Baldrige Program" refers to
 a program that meets the requirements of the Malcolm Baldrige
 National Quality Award criteria.

Sec. 4. As used in this chapter, "board" has the meaning set
 forth in IC 20-10.1-1-17.

Sec. 5. As used in this chapter, "center" refers to the Indiana
 best practices research center established under section 28 of this
 chapter.

Sec. 6. As used in this chapter, "department" has the meaning
 set forth in IC 20-10.1-1-18.

Sec. 7. As used in this chapter, "governing body" has the
 meaning set forth in IC 20-10.1-1-5.

Sec. 8. As used in this chapter, "pilot project grant" refers to a
 Baldrige Program pilot project grant established under section 20
 of this chapter.



1 **Sec. 9.** As used in this chapter, "school" refers to a public school
 2 (as defined in IC 20-10.1-1-2).

3 **Sec. 10.** As used in this chapter, "school corporation" has the
 4 meaning set forth in IC 21-3-1.6-1.1(a).

5 **Sec. 11.** As used in this chapter, "school year" has the meaning
 6 set forth in IC 21-3-1.6-1.1(b).

7 **Sec. 12.** (a) The school improvement grant program is
 8 established with the following components:

9 (1) ADM grants to school corporations for school
 10 improvement established by section 13 of this chapter.

11 (2) Baldrige Program pilot project grants to school
 12 corporations established by section 20 of this chapter.

13 (3) Professional development match grants established by
 14 section 24 of this chapter to:

15 (A) school corporations; and

16 (B) accredited colleges and universities in Indiana.

17 (4) The Indiana best practices research center grant
 18 established by section 28 of this chapter.

19 (b) The school improvement grant program shall do the
 20 following:

21 (1) Assist school corporations to build capacity and make
 22 continuous improvements in the following:

23 (A) School performance.

24 (B) Student academic performance or achievement.

25 (C) Progress toward locally designated benchmarks that
 26 are consistent with the state's educational goals in all areas
 27 measured or indicated on the school corporation annual
 28 performance report required by IC 20-1-21-3.

29 (2) Encourage school corporations to seek areas for
 30 improvement.

31 (3) Provide money for expenditures for various locally
 32 determined targeted improvements.

33 (4) Focus on improving existing programs and to fund short
 34 term activities or to supplement comprehensive or systemic
 35 school reform that is focused on meeting or exceeding the
 36 state's educational performance goals or expectations.

37 (5) Address needs within individual school corporations that
 38 are linked to the state's educational performance goals or
 39 expectations.

40 (6) Place funding priority in areas where measurable results
 41 can be gained as depicted by the following:

42 (A) Indicators on the school corporation annual



performance report required by IC 20-1-21-3.

(B) Other areas where measures may be developed.

Sec. 13. The ADM grant to school corporations for school improvement is established.

Sec. 14. Each school corporation that complies with the requirement of this chapter for receiving an ADM grant is eligible to receive an ADM grant.

Sec. 15. (a) A school corporation must request an ADM grant by:

- (1) applying to the board for an ADM grant; and
- (2) submitting to the board a school improvement program plan that meets the requirements of subsection (b).

(b) A school improvement plan must meet the following requirements:

- (1) Be approved by the governing body of the school corporation.
- (2) Clearly and concisely indicate how the school corporation will use the ADM grant.
- (3) Do the following:
 - (A) Identify each specific area of student performance or school performance that the school corporation targets for improvement.
 - (B) Identify each state educational goal, objective, or expectation in which the school corporation intends to accomplish improvement.
 - (C) Set defined benchmarks related to each state educational goal, objective, or expectation identified under subdivision (2).
 - (D) Establish an evaluation method to assess improvement that:
 - (i) includes information on how the school corporation will measure results; and
 - (ii) is consistent with the measures used on the school corporation annual performance report or appropriate national models if the indicator is not on the school corporation annual performance report.
 - (E) State the school corporation's plans and methods for sustaining improvement after the grant funds are spent.

Sec. 16. A school corporation may request and use an ADM grant for any purpose that addresses the specific area of student performance or school performance that the school improvement plan targets for improvement. However, the following are



examples of programs and concepts that are appropriate uses for ADM grants:

- (1) To pay for teachers to participate in National Board Certification teacher training.
- (2) FAST programs or other family oriented educational opportunities.
- (3) Instructional technology.
- (4) Targeted remediation.
- (5) Acceleration programs.
- (6) Expanded or enhanced alternative education programs.
- (7) Supplementing or providing start-up funds for whole school reform models that are aligned and consistent with the state's student and teacher standards, assessment, and accountability systems.
- (8) Supplementing adult education programs.
- (9) Higher education or business mentoring programs.

Sec. 17. (a) The board shall do the following:

- (1) Review each:
 - (A) request for an ADM grant; and
 - (B) school improvement plan.
- (2) Recommend to the budget agency an ADM grant for each school corporation that in its plan states a use for the ADM grant that addresses the specific area of student performance or school performance that the plan targets for improvement.

(b) The department shall distribute ADM grants to school corporations upon approval of the budget agency after review by the budget committee.

Sec. 18. (a) The amount of the ADM grant for a school corporation is determined by multiplying the number of students in ADM in the school corporation by the lesser of:

- (1) twenty-five dollars (\$25) per student in ADM; or
- (2) the amount determined by dividing the appropriation for the ADM grant by the number of students in ADM in all school corporations that qualify for an ADM grant.

(b) The amount that a school corporation receives as an ADM grant is excluded from previous year revenue for purposes of calculations under IC 21-3-1.7.

Sec. 19. A school corporation that receives an ADM grant must submit the following to the board:

- (1) At the end of the school year in which a grant is received, a preliminary evaluation of the use of the ADM grant.
- (2) At the end of the school year following the school year in



which the grant is received, a final evaluation of the use of the ADM grant.

Sec. 20. The Baldrige Program pilot project grant is established to assist school corporations to implement a Baldrige Program design for systemic improvement that does the following:

(1) Aligns all of a school corporation's programs, services, processes, and activities with a system of standards, assessment, and accountability.

(2) Designs systemic change in the school corporation using the Baldrige design, which connects every component of a school corporation's operations with a set of goals, objectives, and expectations that meet or exceed the state's educational goals.

(3) Emphasizes quality through a customer (or stakeholder) driven philosophy.

(4) Is based on the Baldrige Program criteria as described as follows:

(A) The purposes of the Baldrige Program criteria for education, as follows:

(i) To help improve school performance practices by making available an integrated, results oriented set of key performance requirements.

(ii) To facilitate communications and sharing of best practices information within and among schools of all types based upon a common understanding of key performance requirements.

(iii) To foster the development of partnerships involving schools, businesses, human service agencies, and other organizations.

(iv) To serve as a working tool for improving school performance, planning, training, and institutional assessment.

(B) The following are the Baldrige Program criteria for education:

(i) Leadership.

(ii) Information and analysis.

(iii) Strategic and operational planning.

(iv) Human resource development and management.

(v) Educational and business process management.

(vi) School performance results.

(vii) Student focus and student stakeholder satisfaction.

(3) The Baldrige Program criteria are designed to help



schools improve their educational services through focus on the following dual, results oriented goals:

- (i) Delivery of ever-improving educational value to students, contributing to their overall development and well-being.
- (ii) Improvement of overall school effectiveness, use of resources, and capabilities.

Sec. 21. A school corporation may request a pilot project grant by submitting to the board a pilot project grant proposal that is approved by the governing body of the school corporation.

Sec. 22. The board, in consultation with the superintendent of public instruction and the governor, shall:

- (1) review pilot project grant proposals; and
- (2) select a number of school corporations to receive a pilot project grant.

However, if more school corporations submit pilot project grant proposals than funds are available for pilot project grants, the board shall select grant recipients in a manner that results in pilot projects being conducted throughout the state by school corporations having a variety of enrollment sizes.

Sec. 23. (a) The amount of a pilot project grant is twenty-five thousand dollars (\$25,000).

(b) The number of pilot project grants that may be awarded is determined by dividing the appropriation for pilot project grants by twenty-five thousand dollars (\$25,000).

(c) The amount that a school corporation receives as a pilot project grant is excluded from previous year revenue for purposes of calculations under IC 21-3-1.7.

Sec. 24. The professional development match grant is established to provide money to:

- (1) school corporations; or
- (2) accredited colleges or universities in Indiana;

to use as matching funds for participation in federal professional development grant programs.

Sec. 25. A school corporation or an accredited college or university in Indiana may request a professional development match grant by submitting to the department a grant proposal that meets the following requirements:

- (1) Is approved by the governing body of the school corporation or the accredited college or university.
- (2) Meets the professional development criteria established by the professional standards board.



(3) Is aligned in professional development design with the state's student standards.

Sec. 26. (a) The following, acting jointly, shall review professional development match grant proposals and recommend a number of school corporations or accredited colleges or universities in Indiana to receive grants, subject to the approval of the budget agency after review by the budget committee:

- (1) The board.
- (2) The commission for higher education.
- (3) The professional standards board.
- (4) The superintendent of public instruction.
- (5) The governor.

(b) In making awards under subsection (a), the awarding authorities must give highest priority to grant proposals for programs that involve higher education and school or school corporation partnerships that include:

- (1) at least one (1) accredited college or university partner; and
- (2) ten (10) or more participating school corporations.

Sec. 27. (a) Subject to available appropriations for professional development match grants, the awarding authorities shall determine the number of match grants and the amount of each grant.

(b) The amount that a school corporation receives as a professional development match grant is excluded from previous year revenue for purposes of calculations under IC 21-3-1.7.

Sec. 28. The following are established:

- (1) The Indiana best practices research center.
- (2) The Indiana best practices research center grant.

Sec. 29. An entity that wishes to receive the grant to develop the center shall submit to the department a proposal for a center that meets the following requirements:

- (1) Is research based.
- (2) Serves as a center for best practices in a variety of educational programs and policies within Indiana and nationally.
- (3) Is unaffiliated with any political party or entity.
- (4) Is designed to serve the following:
 - (A) Public and nonpublic schools.
 - (B) The department of education.
 - (C) Higher education.
 - (D) Community and business organizations.



(5) Has an equal or greater financial commitment from a private for-profit or nonprofit organization, so that the center is developed under a public-private partnership.

(6) Places primary emphasis on recognizing and promoting exemplary practices in education in all of Indiana's elementary and secondary schools and communities and nationally.

Sec. 30. (a) The following, acting jointly, shall review proposals for the center and recommend one (1) entity to receive the grant for the center, subject to the approval of the budget agency after review by the budget committee:

(1) The board.

(2) The superintendent of public instruction.

(3) The governor.

Sec. 31. The amount of the grant for the center may not exceed available appropriations for the center.

Sec. 32. The board may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 3. [EFFECTIVE JULY 1, 1999] There is appropriated from the state general fund to the Indiana state board of education twenty-four million dollars (\$24,000,000) beginning July 1, 1999, and ending June 30, 2001, for ADM grants to school corporations for school improvement under IC 21-3-12, as added by this act.

SECTION 4. [EFFECTIVE JULY 1, 1999] There is appropriated from the state general fund to the Indiana state board of education five hundred thousand dollars (\$500,000) beginning July 1, 1999, and ending June 30, 2001, for Baldrige Program pilot project grants to school corporations under IC 21-3-12, as added by this act.

SECTION 5. [EFFECTIVE JULY 1, 1999] There is appropriated from the state general fund to the Indiana state board of education four million dollars (\$4,000,000) beginning July 1, 1999, and ending June 30, 2001, for professional development match grants under IC 21-3-12, as added by this act, to school corporations or accredited colleges or universities in Indiana.

SECTION 6. [EFFECTIVE JULY 1, 1999] There is appropriated from the state general fund to the Indiana state board of education one million five hundred thousand dollars (\$1,500,000) beginning July 1, 1999, and ending June 30, 2001, for start-up expenses for the Indiana best practices research center grant under IC 21-3-12, as added by this act.

